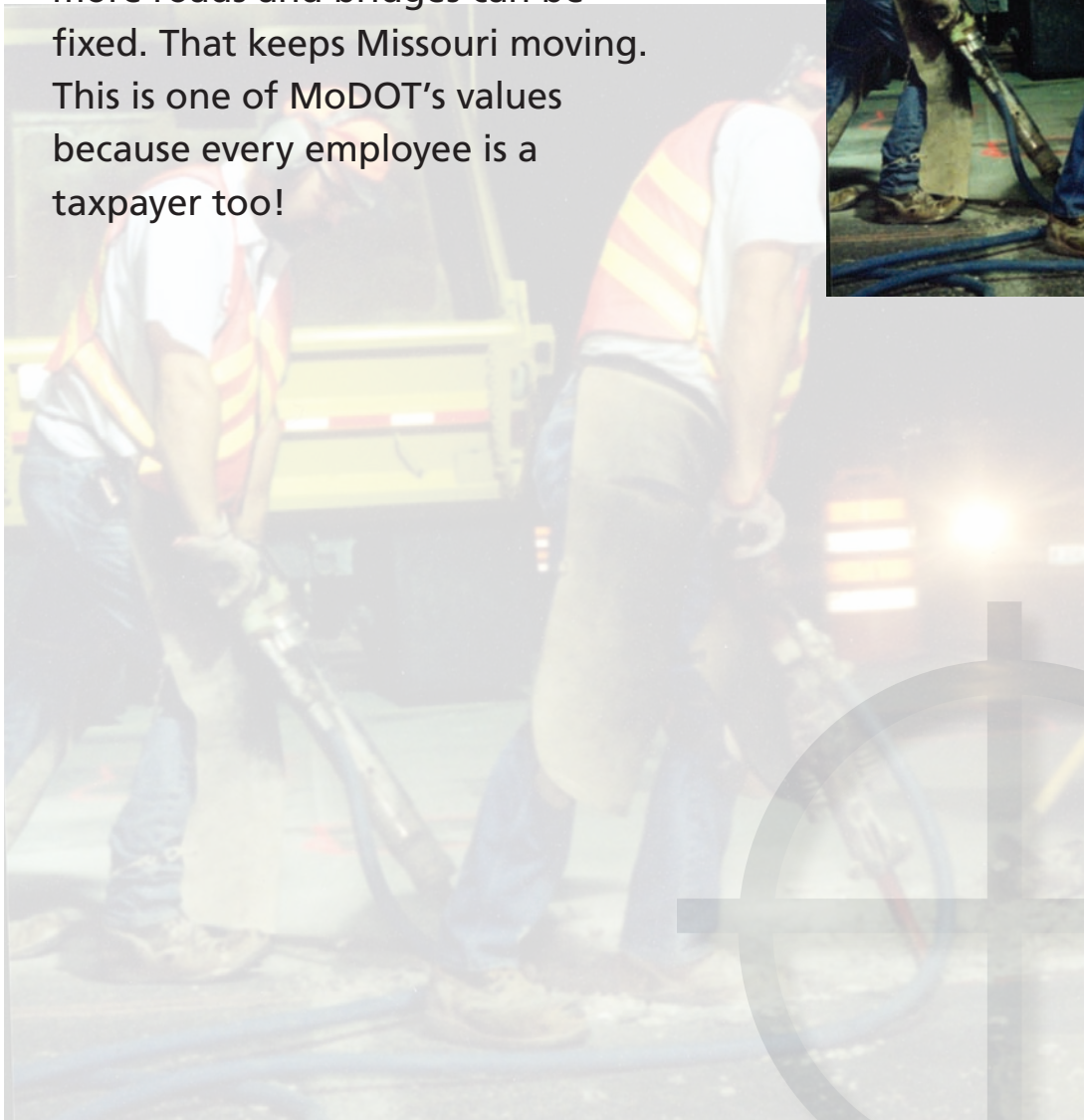

Best Value For Every Dollar Spent

*Tangible Result Driver – Roberta Broeker,
Chief Financial Officer*

Providing the best value for every dollar spent means MoDOT is running its business as efficiently and effectively as possible. A tightly managed budget means more roads and bridges can be fixed. That keeps Missouri moving. This is one of MoDOT's values because every employee is a taxpayer too!



Best Value for Every Dollar Spent

Number of MoDOT employees (converted to Full-Time Equivalency)

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Micki Knudsen, Human Resources Director

Purpose of the Measure:

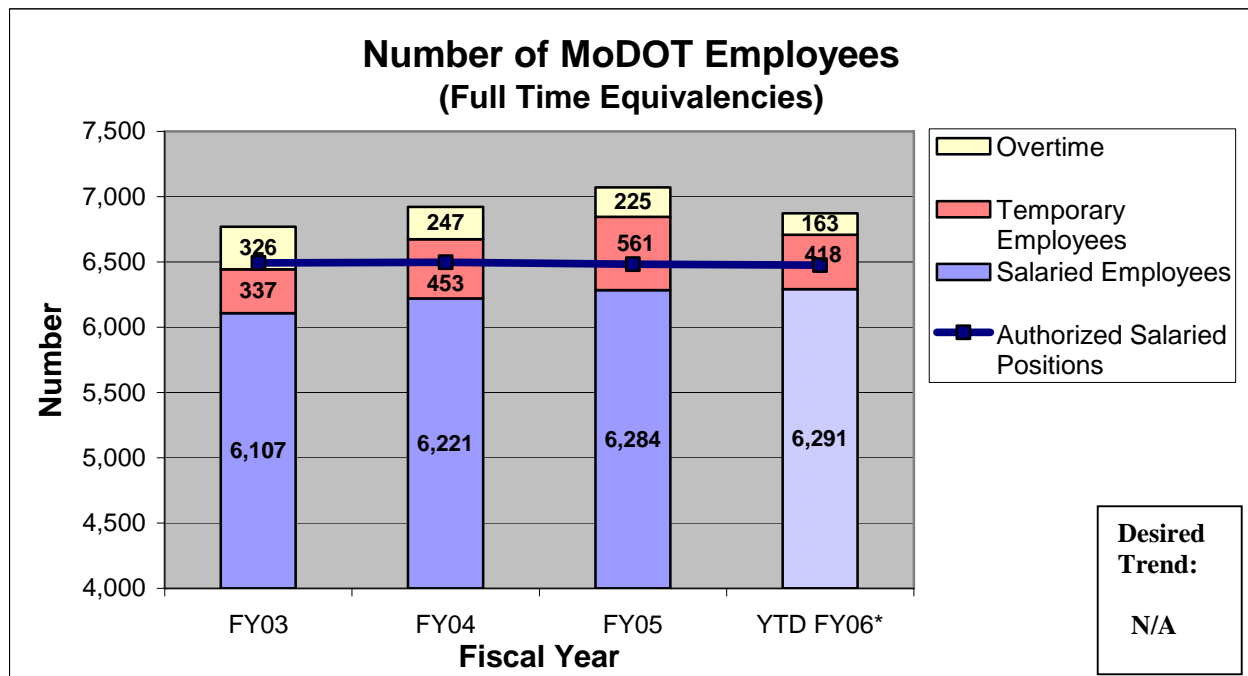
This measure tracks the growth in the number of employees within the department. The measure has been changed to include temporary employees and the hours of overtime worked by all employees converted to full-time equivalency (FTE). To convert these numbers to FTEs, we divided the total number of hours worked by 2080. This measure is now a more accurate reflection of the amount of employees working for MoDOT. Data for the current year has the actual FTE for salaried employees to date annualized.

Measurement and Data Collection:

The data is collected and reported in the first quarter of each fiscal year. The data is a high-level view of overall staffing at MoDOT in relation to authorized positions that could be filled.

Improvement Status:

For FY 06, MoDOT has 6476 authorized salaried positions. As of March 31, 2006, the actual number of employees is 6350. Missouri had a relatively mild winter and overtime for emergency snow removal has been minimal. Districts are now in full swing hiring seasonal employees. Close monitoring of MoDOT's pre-employment work simulation screening resulted in adjustments to improve the candidate success rate. The Human Resource and Risk Management directors met with the district engineers to quickly implement re-engineering of maintenance work and changed some of the work simulation activities. We will continue to monitor candidates' ability to pass these screenings to ensure the department's ability to bring seasonal employees on board.



*For FY 06, the Salaried Employees data has had the FTE for salaried employees used to date converted to an annual number for ease in comparison to the authorized positions. This could not reasonably be accomplished for wage employees or for overtime. Overtime includes both salaried and wage employees.

Best Value for Every Dollar Spent

Percent of work capacity based on average hours worked

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Micki Knudsen, Human Resources Director

Purpose of the Measure:

This measure shows how many hours the average employee works. It can assist management in determining staffing and productivity levels.

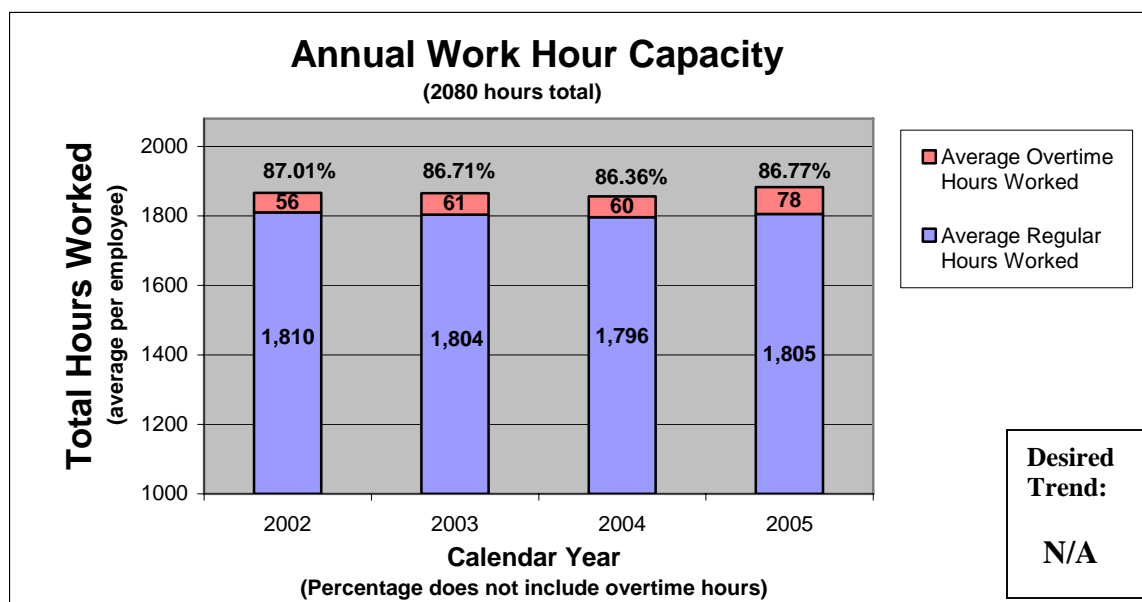
Measurement and Data Collection:

This measure tracks organizational work capacity based on average regular hours worked and average overtime hours worked by employees. This measure also displays the percentage of regular hours available that are worked.

The average regular hours worked does not include seasonal or wage employees. The average overtime hours worked does not include exempt, seasonal, or wage employees.

Improvement Status:

Data for the most recent quarter are not reflected in the chart. Historically, this quarter is the lowest for use of annual leave and compensatory time. Work capacity ran 89.86 percent for the quarter and employees worked an average of 16 hours of overtime. Significant reduction in the use of sick leave for personal illness resulted in District 9 having the highest work capacity at 92.1 percent. This can be directly related to the district's efforts in managing leave usage. Sharing strategies for dealing with leave misuse with all supervisors is a focus of this year's Annual Policy Review, currently being facilitated statewide.



Best Value for Every Dollar Spent

Rate of employee turnover

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Micki Knudsen, Human Resources Director

Purpose of the Measure:

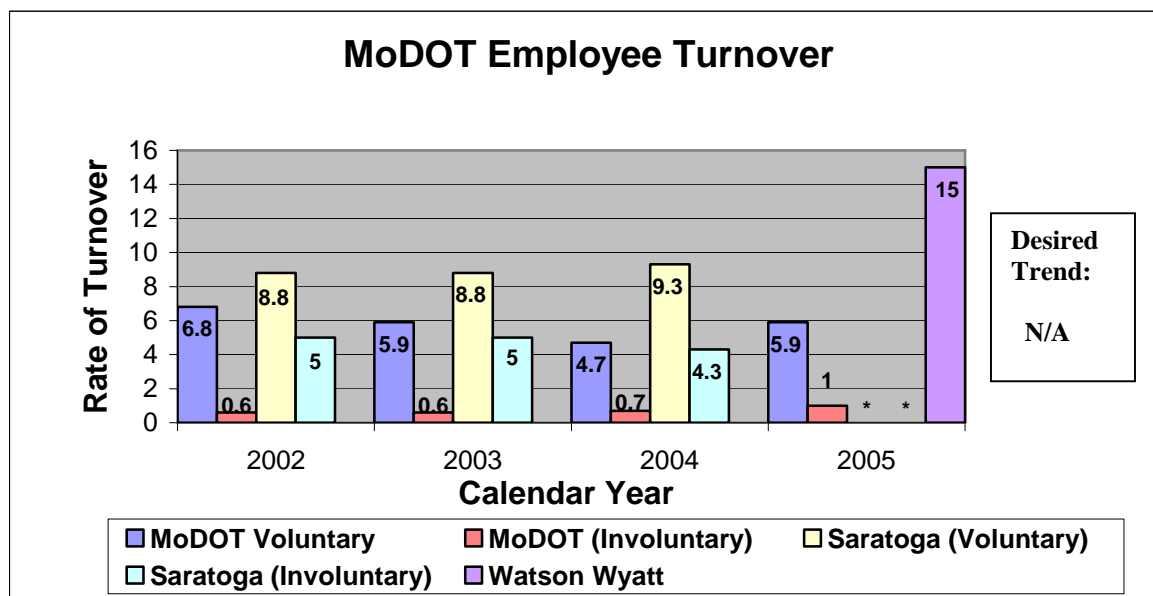
This measure tracks the percentage of employees who leave MoDOT annually and compares the department's turnover rate to benchmarked data. Voluntary turnover includes resignations and retirements. Involuntary turnover includes dismissals only. Turnover rate includes voluntary separations, involuntary separations, and deceased employees.

Measurement and Data Collection:

The data will be collected statewide to assess employee overall turnover. Comparison data will be collected from various sources annually. Previous benchmark data was "dated," therefore, new benchmarks were found. Saratoga Institute surveyed 288 organizations representing a wide variety of industries. The Watson Wyatt study determined the optimum turnover rate versus organizational financial performance.

Improvement Status:

Although not shown on this chart, there were 105 separations with 48 percent due to retirement and 52 percent due to resignations during the first quarter of calendar year 2006. There were 18 employees in civil engineering positions who left MoDOT during this quarter. Central Office divisions were hit hard, having one third of the civil engineer separations during the quarter. Bridge Division had three separations and Construction and Materials Division lost two civil engineers during the quarter. Districts 4 and 6 each lost two employees from civil engineering positions, as well. On April 1, 2006, MoDOT implemented the job study for engineering professional and engineering management jobs. These job studies resulted in upgrades to the very positions that have recently had higher voluntary turnover compared to the department average.



* Saratoga's data for CY 2005 is unavailable at the time of print.

Best Value for Every Dollar Spent

Percent of satisfied employees

Result Driver: Roberta Broeker, Chief Financial & Administrative Officer

Measurement Driver: Micki Knudsen, Human Resources Director

Purpose of the Measure:

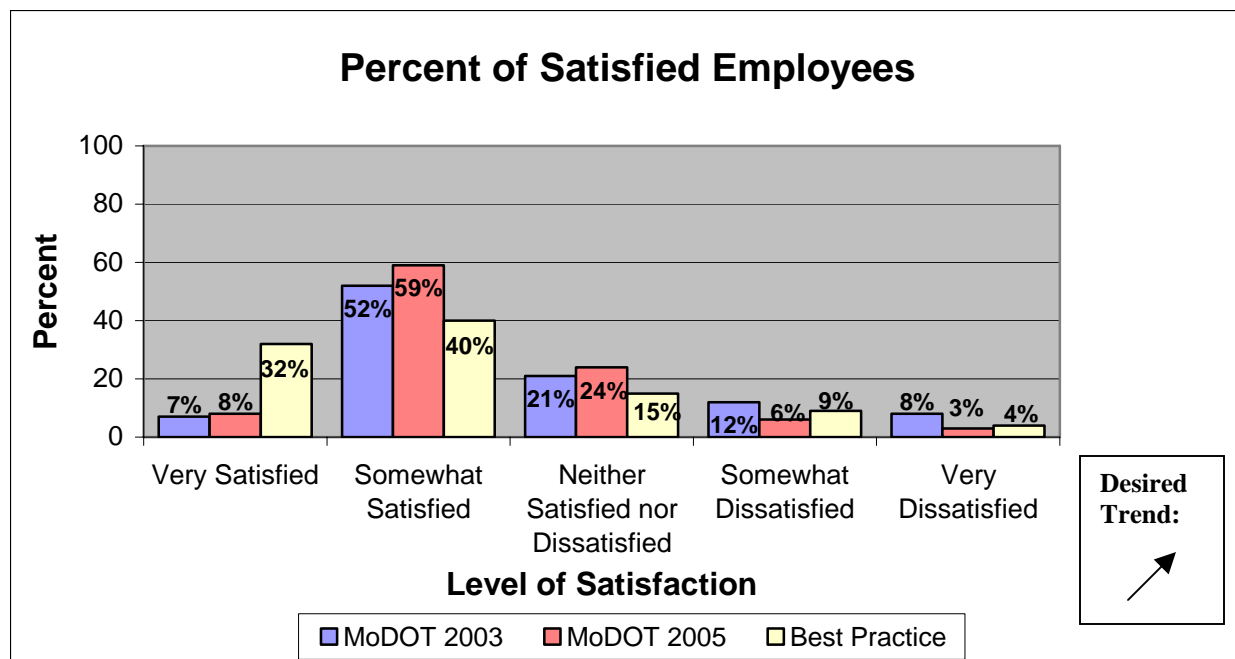
This measures the level of employee satisfaction throughout the department in comparison to the organization that scored the best in employee satisfaction using the same survey instrument.

Measurement and Data Collection:

Employee satisfaction is measured using 18 items from an annual employee survey, Organizational Performance Survey (OPS). Comparison organization data is collected from the vendor of the OPS.

Improvement Status:

The employee satisfaction subcommittee of senior management and Employee Advisory Council members have met three times and developed an action plan to address four of the seven recommendations from Behavioral Health Concepts. Their action plan includes items to address morale and trust, empowerment, communication, and organizational fairness. The Human Resources Division has completed and shared results of quality assurance audits of competitive job fills and career ladder promotions for the maintenance series. Approximately 1000 employees completed the Trust and Empowerment survey assessing middle managers in the organizations. Results have been analyzed and shared with senior management. An assessment tool for first line supervisors that will incorporate all aspects of supervision, including trust and empowerment, will be sent to all maintenance employees in June 2006.



Best Value for Every Dollar Spent

Number of lost work days per year

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Beth Ring, Risk Management Director

Purpose of the Measure:

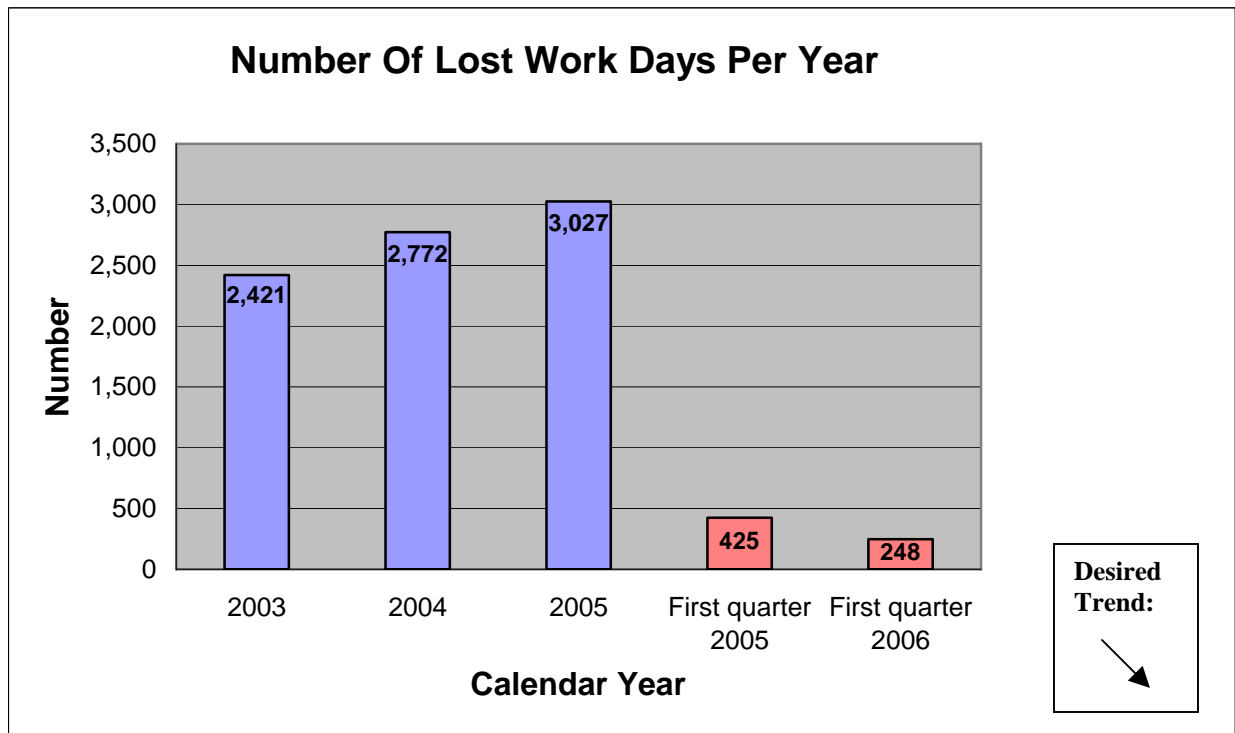
This measure tracks the actual number of days that employees cannot work due to work-related injuries sustained during the reporting period. Note that the results do not include lost workdays for injuries that occurred during previous reporting periods. (Example: an employee that is injured on December 31, 2005 and is off during January of 2006 will not show up as lost time in 2006 because the incident occurred during the previous reporting period.)

Measurement and Data Collection:

The data is collected from Riskmaster, the risk management software, and reported quarterly.

Improvement Status:

The number of lost workdays for 1st quarter 2006 is 42 percent lower than the same period last year. Likewise, the number of lost time incidents decreased by 53 percent for the same period. The largest increase in lost workdays occurred in Central Office Bridge Maintenance, while Districts 3, 4, 6 and 9 show significant decreases. Four districts (districts 3, 4, 8 and 9) reported no lost workdays during the quarter. MoDOT continues to develop and implement new safety-related initiatives to further reduce lost workdays including a new safety recognition program, a work simulation physical exam, fitness for duty program, etc. The department is working diligently to identify and provide light duty assignments for injured workers with restrictions in an effort to get them back to work quickly.



Best Value for Every Dollar Spent

Building expenditures per square foot

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Chris Devore, General Service Manager - Facilities

Purpose of the Measure:

This measure tracks the cost of operating department buildings, building capital improvements and capital asset preservation projects.

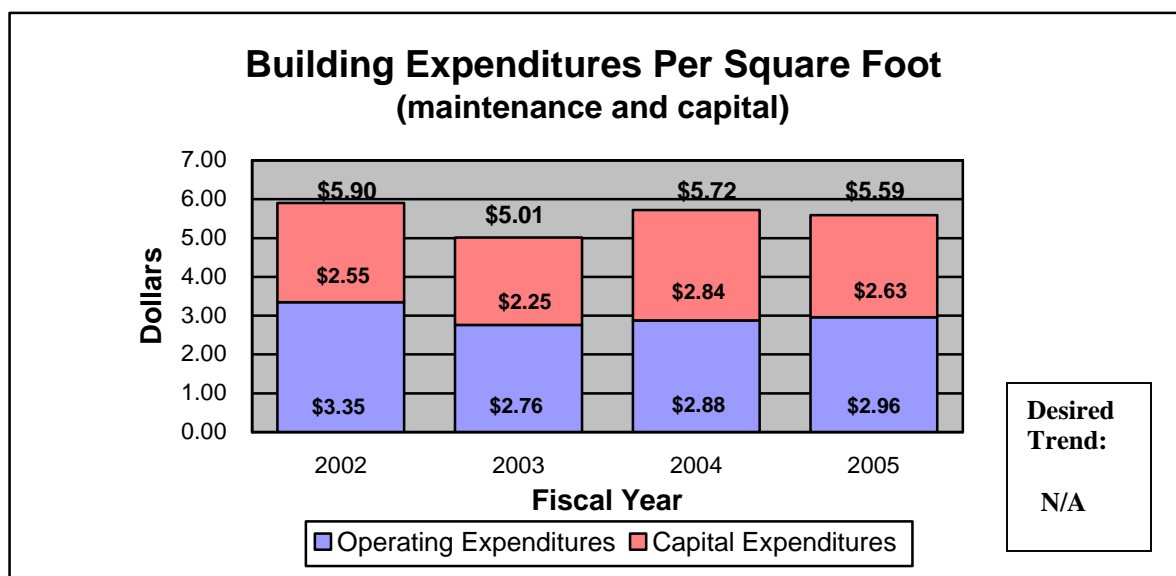
Measurement and Data Collection:

The data is collected based on expenditures recorded in the statewide financial accounting system. The following expenditures are included in the analysis: the cost of labor, benefits, and materials for central office facilities management and facilities maintenance. It does not include the employer's share of Social Security/ Medicare taxes and the department's match for deferred compensation. Operating expenditures, including repair supplies, custodial supplies, janitorial and other services, maintenance and repair services, building and storage leases, and utilities have been included. Capital expenditures include new construction and asset preservation projects.

Improvement Status:

As operational needs developed, extra consideration and funding were expended to repair/replace with energy efficient options. These improvements have included, but are not limited to, installing energy efficient windows, overhead doors, and new HVAC system and insulating maintenance bays. There will be a decrease in capital expenditures in FY 06 due to a decrease in budget allocation. Energy efficient upgrades made will decrease FY 06 operating expense if not offset by inflationary increases.

Several sources, including other DOT's, trucking companies, federal agencies and reference manuals do not track the specific benchmark data we are using. A search for more realistic benchmark data to use in future reports is still in progress.



Best Value for Every Dollar Spent

Dollars expended on consultants other than program consultants

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Debbie Rickard, Acting Controller

Purpose of the Measure:

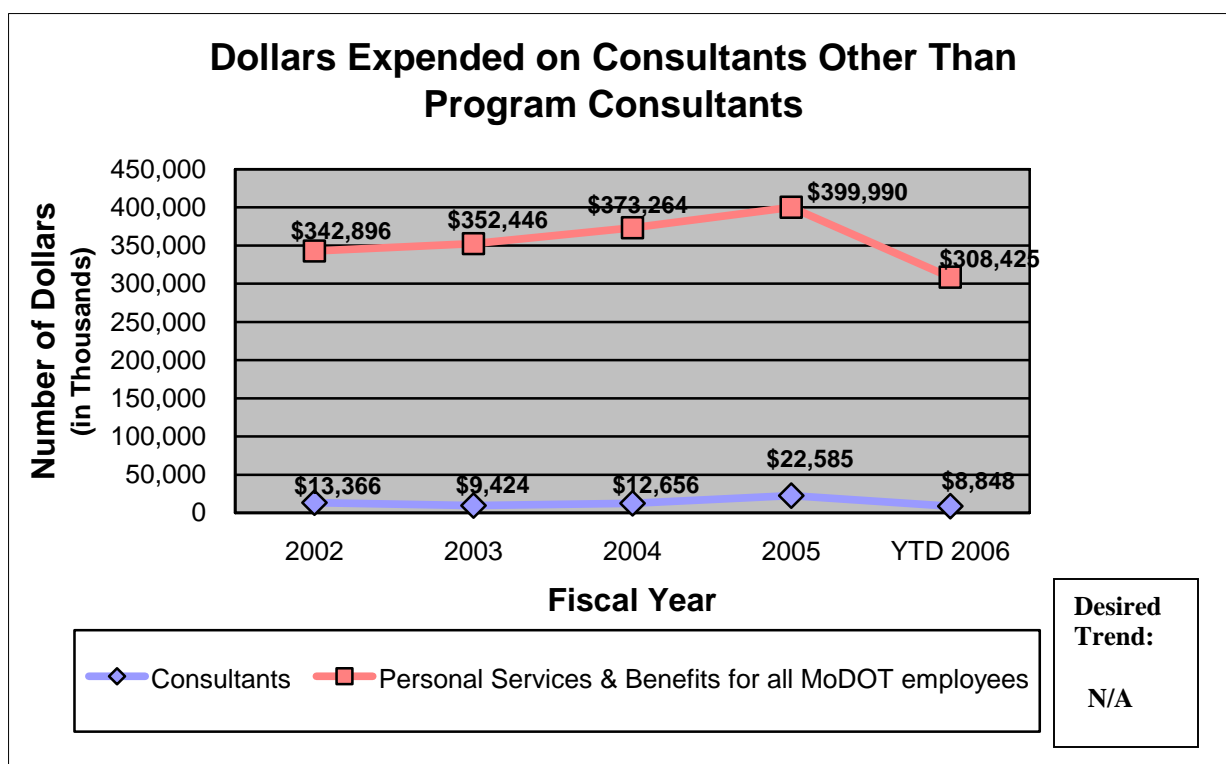
The measure tracks the department's use of consultants for other than right of way and construction. The Department utilizes consultants to complement employee resources and expertise. Reporting heightens awareness and provides a tool to measure the utilization of consultants.

Measurement and Data Collection:

The data is collected based on expenditures recorded in the statewide financial accounting system. The data includes expenditures for professional services and computer information services.

Improvement Status:

Expenditures for consultants in a fiscal year are dependent on the Department's needs. Fluctuations between fiscal years are not abnormal. The Department will continue to utilize non-design consultants for specialized services and to supplement available employee resources. FY 06 IS projects utilizing consultants will include the completion of the Motor Carrier Services' integrated software project, the Realty Asset Inventory Management System, and the State Transportation Improvement Program Enhancement. Estimated consultant costs related to these projects totals \$3.6 million. Other anticipated consultant cost in FY 06 include Missouri Statewide Traveler Information system and the completion of MoDOT Emergency Communication Services system.



Best Value for Every Dollar Spent

Percent of vendor invoices paid on time

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Debbie Rickard, Acting Controller

Purpose of the Measure:

This measure tracks the Department's timeliness in processing vendor payments.

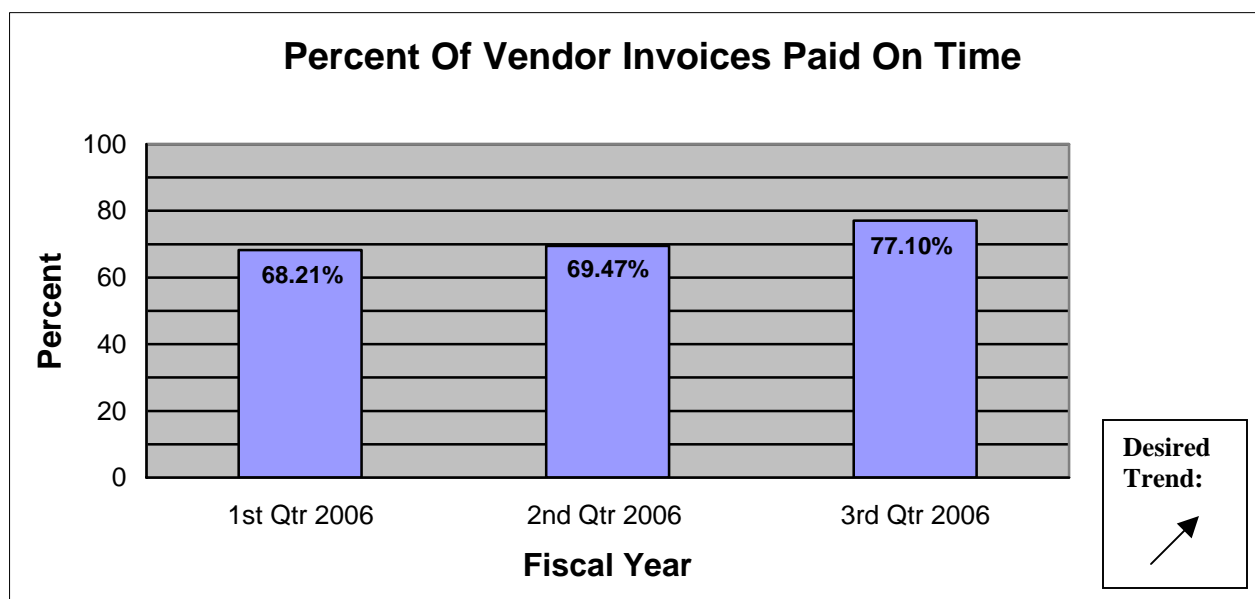
Measurement and Data Collection:

The check date determines if invoice payment is timely. Timely is defined as a check issued less than 31 days from the date of the invoice.

Improvement Status:

The first two quarters of measurement data collection are based on the check date within 31 days from the date of service or receipt of goods. The measure was changed in the third quarter to reflect the percent of invoices paid within 31 days from the date of the vendor's invoice. Vendors age their receivables based on the date of invoice. The measure indicates there are still opportunities for significant improvements to ensure vendors consider the Department a good customer. The steps to address the decrease are: (1) Identify specific vendors experiencing delayed payment and work with those vendors to obtain accurate invoices timely (2) Determine if delayed payments are common to a particular division within Central Office or a District (3) Identify processes contributing to the delayed payment.

Process changes were made to enhance the payment process by reducing the number of individuals involved in processing invoices. District and divisional analysis tools have been developed to assist in identifying problem areas.



Best Value for Every Dollar Spent

Average cost of outsourced design and bridge engineer vs. full costed full-time employee

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Debbie Rickard, Acting Controller

Purpose of the Measure:

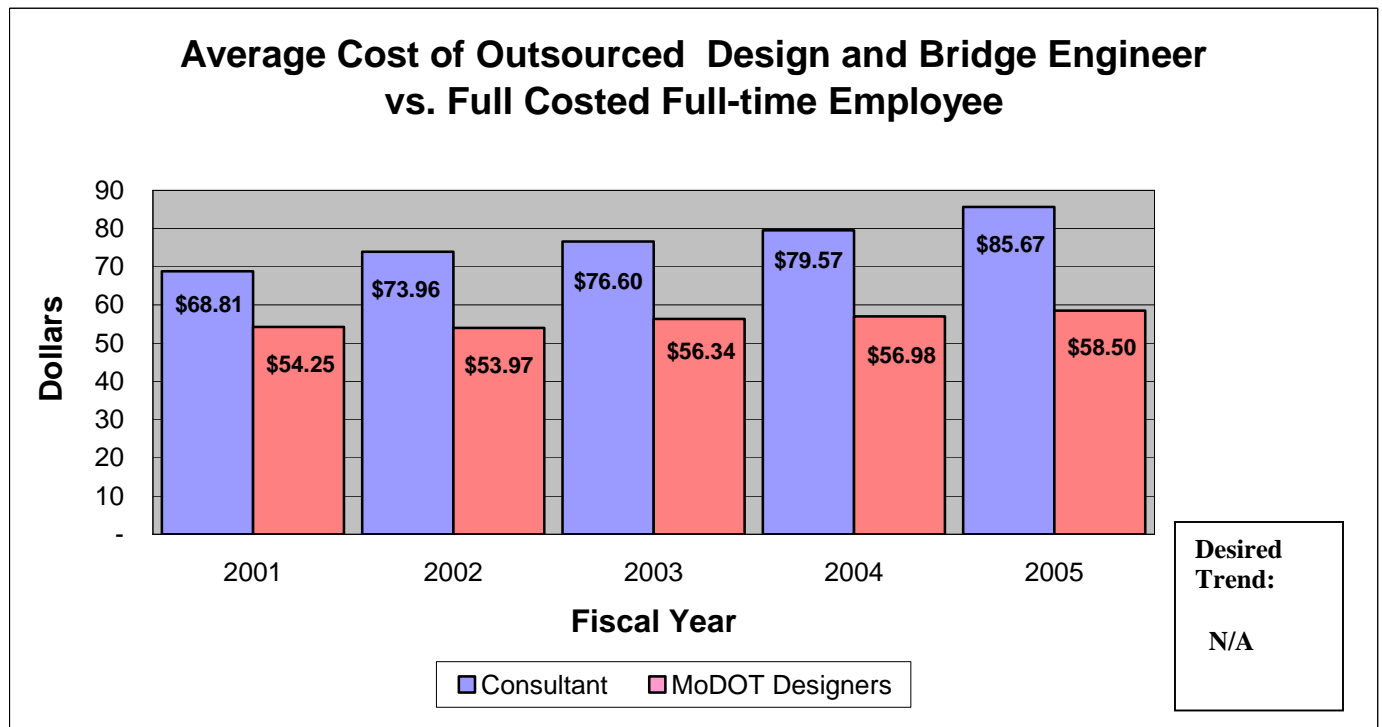
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending for design and bridge engineering efforts.

Measurement and Data Collection:

The data collection is based on outsourced contracts and employee expenditures.

Improvement Status:

The process is to measure external design consultant costs and compare to MoDOT staff design engineer costs. Both categories are fully costed and comparable. Consultant rates increased 7.1 percent from 2004 to 2005 while MoDOT design and bridge engineer costs increased 2.6 percent for the same period. The desired trend is to narrow the profit factor gap between the two rates.



Best Value for Every Dollar Spent

Distribution of expenditures

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Debbie Rickard, Acting Controller

Purpose of the Measure:

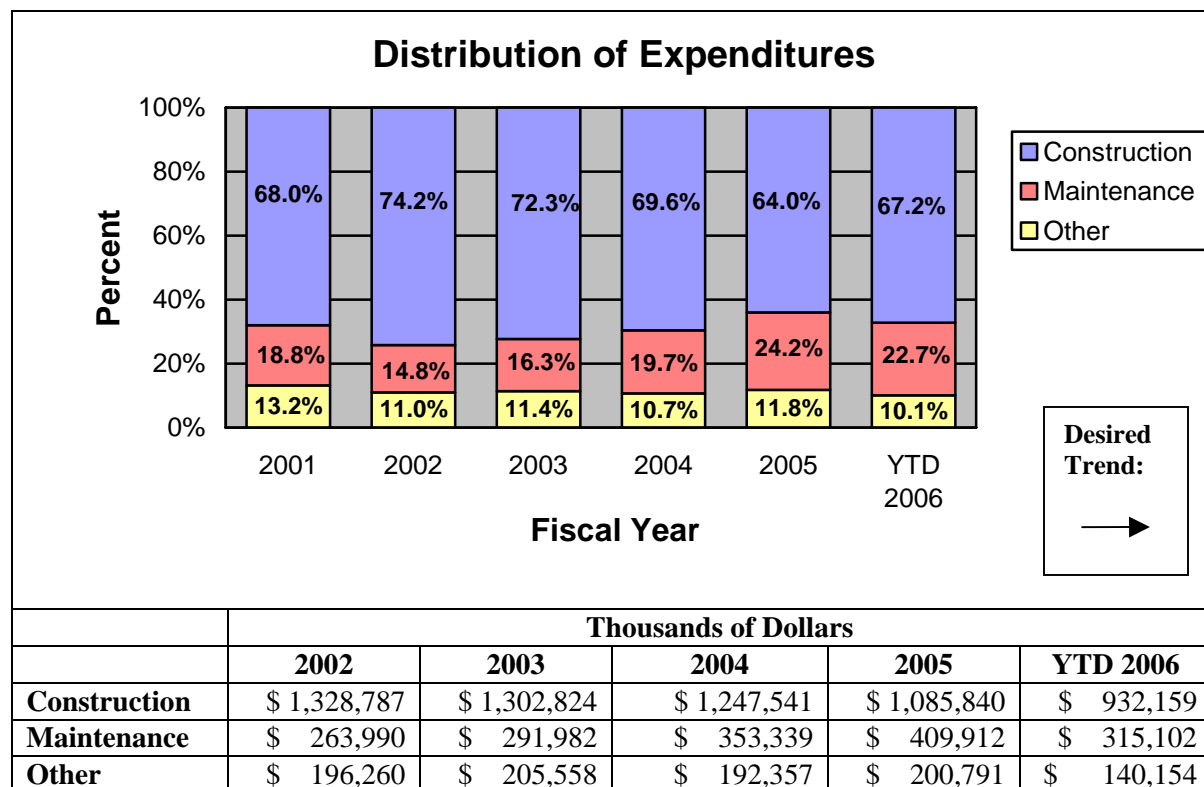
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending on the construction and maintenance of our transportation system.

Measurement and Data Collection:

The data collection is based on cash expenditures by appropriation. Construction and maintenance expenditures are defined as expenditures from the construction and maintenance appropriations. Other expenditures include: administration, multimodal, and information systems, fleet, facilities, and other services appropriations.

Improvement Status:

The Department's emphasis is on expenditures for routine maintenance of the system (maintenance appropriation) and renovation and construction of the system (construction appropriation). Although the percent of MoDOT expenditures for maintenance decreased, the dollars will increase assuming spending continues at the current rate for the remainder of the fiscal year. Construction expenditures have increased overall, percentage and dollars, as construction projects have accelerated as a result of bond proceeds. Expenditures from appropriations other than construction and maintenance remain constant, which is consistent with the desired trend.



Best Value for Every Dollar Spent

Percent variance of actual state highway user revenue vs. projections

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Ben Reeser, Finance Coordinator

Purpose of the Measure:

The measure shows the precision of the state highway user revenue projections.

Measurement and Data Collection:

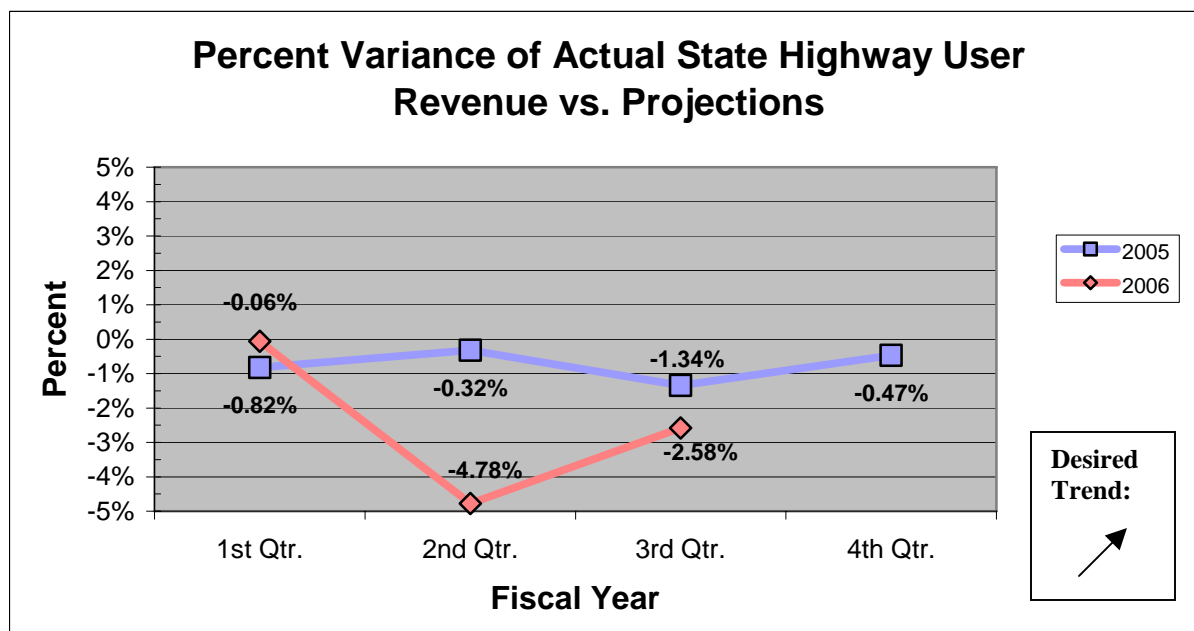
State highway user revenue includes: Motor Fuel Taxes, which are taxes collected on each gallon of motor fuel purchased; License and Fees, which are driver licenses and taxes and fees collected on motor vehicle licensing and registrations; and Sales and Use Taxes, which are taxes collected on the purchase of motor vehicles.

Projections are based on the current financial forecast. Percent is based on year-to-date revenues. The actual data is provided monthly to Resource Management by the Controller's Office.

Improvement Status:

The actual state highway user revenue is less than projections through the third quarter of fiscal year 2006. The projected revenue was \$748.6 million. However, the actual receipts were \$729.3 million, a difference of \$19.3 million and a negative variance of 2.58%. The desired trend is for the actual revenue to match projections with a variance of 0%.

MoDOT staff continues to analyze current revenue trends in preparation for the next forecast.



Best Value for Every Dollar Spent

MoDOT national ranking in revenue per mile

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Ben Reeser, Finance Coordinator

Purpose of the Measure:

This measure shows Missouri's national ranking in the amount of revenue per mile that is available to spend on the state highway system.

Measurement and Data Collection:

Revenue is the total receipts less bonds as reported in the Federal Highway Administration's annual highway statistics report entitled, *Revenues Used By States For State-Administered Highways [November 2005]*. The mileage is the state highway agency miles as reported in the Federal Highway Administration's annual highway statistics report entitled, *Public Road Length – Miles By Ownership [October 2005]*. Resource Management collects this information from the Federal Highway Administration.

Improvement Status:

Missouri's revenue per mile of \$47,463 ranks 45th in the nation. Missouri has a very large state highway system. Our state highway system has 32,471 miles, which ranks 7th. Most states that have a state highway system of 30,000 to 40,000 miles rank in the 40's for revenue per mile. Massachusetts revenue per mile of \$968,448 ranks 1st. However, their state highway system contains only 2,841 miles. South Carolina's revenue per mile of \$27,142 ranks 50th. Their state highway system contains 41,532 miles.

MoDOT staff continues to communicate with the public the need for additional transportation funding. Our current funding level leaves us well short of what is required to address all of Missouri's transportation needs. Even if Amendment 3 funds (fully phased-in) were added to this analysis, Missouri's ranking would have only moved up to 44th.

